

Message Text

LIMITED OFFICIAL USE

PAGE 01 TEHRAN 03018 180958Z

16

ACTION NEA-12

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SP-03

CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07 SS-20 STR-08

CEA-02 AGR-20 INT-08 SCI-06 DRC-01 /161 W

----- 104648

R 180940Z APR 74

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 6140

LIMITED OFFICIAL USE TEHRAN 3018

E.O. 11652: DECONTROL APRIL 17, 1975

TAGS: EGEN, IR

SUBJECT: INFLATION

REF: TEHRAN 8989, DEC 20, 1973

1. JUST RELEASED PRICE INDEX FIGURES FOR IRANIAN YEAR 1352 (ENDING MARCH 20, 1974) SHOW AVERAGE INCREASE IN CONSUMER PRICES OF 11.2 PERCENT DURING YEAR AND 13.1 PERCENT IN WHOLESALE PRICES. COMPARED TO FINAL MONTH OF IRANIAN YEAR 1351, RATES OF INFLATION DURING LAST MONTH OF 1352 WERE 13.4 PERCENT IN CONSUMER PRICES AND 16.3 PERCENT IN WHOLESALE PRICES. FOR BOTH INDICES, INCREASE DURING TWELFTH MONTH OF 1352 EXCEEDED TWO PERCENT ABOVE PREVIOUS MONTH.

2. WHILE EMBASSY CONTINUES TO BELIEVE OFFICIAL PRICE INDICES UNDERSTATE REAL RATE OF INFLATION, GOI AT LEAST NO LONGER IS SUPPRESSING PUBLICATION OF OFFICIAL FIGURES (REFTEL). THERE SEEMS TO BE GROWING ACCEPTANCE AMONG GOI OFFICIALDOM THAT SOME INFLATION IS UNAVOIDABLE IN RAPIDLY DEVELOPING ECONOMY. RECENT SHORTAGES OF FOOD ITEMS, NOTABLY SUGAR AND MEAT, HAVE CAUSED MORE APPARENT DISTRESS THAN RISE IN COST OF LIVING.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TEHRAN 03018 180958Z

3. INTERESTING TO NOTE THAT INDEX FIGURES SHOW MUCH MORE RAPID

RECENT RISE IN IRANIAN NON-OIL EXPORT PRICES ROSE BY AVERAGE OF 37.2 PERCENT DURING 1352, WHILE IMPORT PRICE INDEX FOR YEAR SHOWED ONLY A 13.6 PERCENT INCREASE. CARPET AND RAW COTTON EXPORTS WERE COMMODITIES MAINLY RESPONSIBLE FOR SHARP INCREASE. IRANIAN COMPLAINTS OF HIGH IMPORT PRICES AS JUSTIFICATION FOR OIL PRICE INCREASES, OF COURSE, CONTINUE.
HELMS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFLATION, ECONOMIC REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TEHRAN03018
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740090-0148
From: TEHRAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740431/aaaabbvh.tel
Line Count: 68
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: TEHRAN 8989, DEC 20, 1973
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 19 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 AUG 2002 by elyme>; APPROVED <12-Sep-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INFLATION
TAGS: EGEN, IR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005